

110TH CONGRESS
1ST SESSION

S. 1279

To secure America’s future economy through reform of the Federal budget process.

IN THE SENATE OF THE UNITED STATES

MAY 3, 2007

Mr. VOINOVICH introduced the following bill; which was read twice and referred to the Committee on the Budget

A BILL

To secure America’s future economy through reform of the Federal budget process.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Securing America’s Future Economy Budget Process Re-
6 form Act” or “SAFE Budget Process Reform Act”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—ENFORCEMENT OF BUDGETARY DECISIONS

Sec. 101. Extension of the discretionary spending caps.

- Sec. 102. Extension of Pay-as-You-Go requirement and other rules.
- Sec. 103. Point of order to require compliance with the caps and Pay-as-You-Go.
- Sec. 104. Disclosure of interest costs.
- Sec. 105. Executive branch report on fiscal exposures.
- Sec. 106. Mandatory reconciliation.
- Sec. 107. Limitation on long-term spending proposals.
- Sec. 108. Application of Budget Act to unreported bills.

TITLE II—REFORM OF BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS

- Sec. 201. Federal insurance programs.

TITLE III—BIENNIAL BUDGETING AND APPROPRIATIONS

- Sec. 301. Revision of timetable.
- Sec. 302. Amendments to the Congressional Budget and Impoundment Control Act of 1974.
- Sec. 303. Amendments to title 31, United States Code.
- Sec. 304. Two-year appropriations; title and style of appropriations Acts.
- Sec. 305. Multiyear authorizations.
- Sec. 306. Government plans on a biennial basis.
- Sec. 307. Biennial appropriations bills.
- Sec. 308. Report on two-year fiscal period.
- Sec. 309. Effective date.

TITLE IV—COMMISSION ON FEDERAL BUDGET CONCEPTS

- Sec. 401. Establishment of Commission on Federal Budget Concepts.
- Sec. 402. Powers and duties of Commission.
- Sec. 403. Membership.
- Sec. 404. Staff and support services.
- Sec. 405. Report.
- Sec. 406. Termination.
- Sec. 407. Funding.

TITLE V—RESERVE FUND FOR EMERGENCIES

- Sec. 501. Purpose.
- Sec. 502. Repeal of adjustments for emergencies.
- Sec. 503. OMB emergency criteria.
- Sec. 504. Development of guidelines for application of emergency definition.
- Sec. 505. Reserve fund for emergencies in President's budget.
- Sec. 506. Adjustments and reserve fund for emergencies in concurrent budget resolutions.
- Sec. 507. Application of section 306 to emergencies in excess of amounts in reserve fund.
- Sec. 508. Up-to-date tabulations.
- Sec. 509. Prohibition on amendments to emergency reserve fund.
- Sec. 510. Effective date.

1 **TITLE I—ENFORCEMENT OF**
 2 **BUDGETARY DECISIONS**

3 **SEC. 101. EXTENSION OF THE DISCRETIONARY SPENDING**
 4 **CAPS.**

5 (a) IN GENERAL.—Title III of the Congressional
 6 Budget Act of 1974 is amended by adding at the end the
 7 following new section:

8 **“SEC. 316. ENFORCEMENT OF DISCRETIONARY SPENDING**
 9 **LIMITS.**

10 “(a) IN THE HOUSE.—Upon adoption by Congress
 11 of a concurrent resolution on the budget under section 301
 12 or 304 that sets forth (whether in the concurrent resolu-
 13 tion or in a joint explanatory statement accompanying the
 14 concurrent resolution) an allocation of budget authority
 15 to the Committee on Appropriations pursuant to section
 16 302—

17 “(1) the Clerk of the House shall prepare an
 18 engrossment of a joint resolution modifying the dis-
 19 cretionary spending limit of section 251(c) of the
 20 Balanced Budget and Emergency Deficit Control
 21 Act of 1985 in the form prescribed in subsection (c).

22 “(2) Upon engrossment of the joint resolution,
 23 the vote by which the concurrent resolution on the
 24 budget was finally agreed to in the House shall also
 25 be considered as a vote on passage of the joint reso-

1 lution in the House, and the joint resolution shall be
 2 considered as passed by the House and duly certified
 3 and examined. The engrossed copy shall be signed
 4 by the Clerk of the House and transmitted to the
 5 Senate for further legislative action.

6 “(b) IN THE SENATE.—Upon receipt by the Clerk of
 7 the Senate of the joint resolution described in subsection
 8 (a), the Senate shall be deemed to have passed the joint
 9 resolution without amendment and the Clerk of the Senate
 10 shall enroll the joint resolution for presentation to the
 11 President of the United States.

12 “(c) MATTER INCLUDED IN JOINT RESOLUTION.—
 13 The matter after the resolving clause in a joint resolution
 14 described in subsection (a) shall be as follows: ‘Section
 15 251(c) of the Balanced Budget and Emergency Deficit
 16 Control Act of 1985 is amended by striking all after
 17 “means” and inserting “, with respect to the budget year,
 18 for the discretionary category, [\$ _____], as adjusted in
 19 strict conformance with subsection (b) of this section.’ ”,
 20 with the blank being filled with a dollar limitation equal
 21 to the allocation of budget authority to the Committee on
 22 Appropriations made by the concurrent resolution on the
 23 budget in force pursuant to section 302 of the Congres-
 24 sional Budget Act of 1974.’ ”.

1 (b) CONFORMING AMENDMENT.—The table of con-
 2 tents set forth in section 1(b) of the Congressional Budget
 3 and Impoundment Control Act of 1974 is amended by in-
 4 serting after the item relating to section 315 the following
 5 new item:

“Sec. 316. Enforcement of discretionary spending limits.”.

6 **SEC. 102. EXTENSION OF PAY-AS-YOU-GO REQUIREMENT**
 7 **AND OTHER RULES.**

8 (a) EXTENSION OF PAY-AS-YOU-GO REQUIRE-
 9 MENT.—Section 252 of the Balanced Budget and Emer-
 10 gency Deficit Control Act of 1985 is amended by striking
 11 “enacted before October 1, 2002,” both places it appears.

12 (b) EXTENSION OF DEFICIT CONTROL RULES.—Sec-
 13 tion 275 of the Balanced Budget and Emergency Deficit
 14 Control Act of 1985 is amended by striking subsection (b)
 15 and redesignating subsection (c) as subsection (b).

16 (c) MODIFICATION OF BASELINE RULES.—Section
 17 257(b)(2) of the Balanced Budget and Emergency Deficit
 18 Control Act of 1985 is amended by striking subparagraph
 19 (D).

20 **SEC. 103. POINT OF ORDER TO REQUIRE COMPLIANCE**
 21 **WITH THE CAPS AND PAY-AS-YOU-GO.**

22 Section 312(b) of the Congressional Budget Act of
 23 1974 (2 U.S.C. 643(b)) is amended to read as follows:

24 “(b) DISCRETIONARY SPENDING AND PAY-AS-YOU-
 25 GO POINT OF ORDER IN THE SENATE.—

1 “(1) IN GENERAL.—Except as otherwise pro-
2 vided in this subsection, it shall not be in order in
3 the Senate to consider any bill or resolution or any
4 separate provision of a bill or resolution (or amend-
5 ment, motion, or conference report on that bill or
6 resolution) that would—

7 “(A) exceed any of the discretionary spend-
8 ing limits in section 251(c) of the Balanced
9 Budget and Emergency Deficit Control Act of
10 1985; or

11 “(B) for direct spending or revenue legisla-
12 tion, would cause or increase an on-budget def-
13 icit for any one of the following three applicable
14 time periods—

15 “(i) the first year covered by the most
16 recently adopted concurrent resolution on
17 the budget;

18 “(ii) the period of the first 5 fiscal
19 years covered by the most recently adopted
20 concurrent resolution on the budget; or

21 “(iii) the period of the 5 fiscal years
22 following the first five fiscal years covered
23 in the most recently adopted concurrent
24 resolution on the budget.

1 “(2) POINT OF ORDER AGAINST A SPECIFIC
2 PROVISION.—If the Presiding Officer sustains a
3 point of order under paragraph (1) with respect to
4 any separate provision of a bill or resolution, that
5 provision shall be stricken from the measure and
6 may not be offered as an amendment from the floor.

7 “(3) FORM OF THE POINT OF ORDER.—A point
8 of order under this section may be raised by a Sen-
9 ator as provided in section 313(e) of the Congres-
10 sional Budget Act of 1974.

11 “(4) CONFERENCE REPORTS.—If a point of
12 order is sustained under this section against a con-
13 ference report the report shall be disposed of as pro-
14 vided in section 313(d) of the Congressional Budget
15 Act of 1974.

16 “(5) EXCEPTIONS.—This subsection shall not
17 apply if a declaration of war by the Congress is in
18 effect or if a joint resolution pursuant to section 258
19 of the Balanced Budget and Emergency Deficit Con-
20 trol Act of 1985 has been enacted.”.

21 **SEC. 104. DISCLOSURE OF INTEREST COSTS.**

22 Section 308(a)(1) of the Congressional Budget Act
23 of 1974 (2 U.S.C. 639(a)(1)) is amended—

24 (1) in subparagraph (B), by striking “and”
25 after the semicolon;

1 (2) in subparagraph (C), by striking the period
 2 and inserting “; and”; and

3 (3) by adding at the end the following:

4 “(D) in the case of direct spending or rev-
 5 enue legislation, containing a projection by the
 6 Congressional Budget Office of the cost of the
 7 debt servicing that would be caused by such
 8 measure for such fiscal year (or fiscal years)
 9 and each of the 4 ensuing fiscal years.”.

10 **SEC. 105. EXECUTIVE BRANCH REPORT ON FISCAL EXPO-**
 11 **SURES.**

12 (a) IN GENERAL.—The President shall submit to the
 13 Committees on Appropriations, Budget, Finance, and
 14 Homeland Security and Governmental Affairs of the Sen-
 15 ate, and the Committees on Appropriations, Budget, Gov-
 16 ernment Reform, and Ways and Means of the House of
 17 Representatives, not later than 2 weeks before the first
 18 Monday in February of each year, a report (in this section
 19 referred to as the “report”) on the fiscal exposures of the
 20 United States Federal Government and their implications
 21 for long-term financial health. The report shall also be in-
 22 cluded as part of the Consolidated Financial Statement
 23 of the United States Government.

24 (b) CONTENTS.—

(1) IN GENERAL.—The report shall include fiscal exposures for the following categories of fiscal exposures:

(A) DEBT.—Debt, including—

(i) total gross debt;

(ii) publicly held debt; and

(iii) debt held by Government accounts.

(B) OTHER FINANCIAL LIABILITIES.—

Other financial liabilities, including—

(i) civilian and military pensions;

(ii) post-retirement health benefits;

(iii) environmental liabilities;

(iv) accounts payable;

(v) loan guarantees; and

(vi) Social Security benefits due and payable.

(C) FINANCIAL COMMITMENTS.—Financial commitments, including—

(i) undelivered orders; and

(ii) long-term operating leases.

(D) FINANCIAL CONTINGENCIES AND OTHER EXPOSURE.—Financial contingencies and other exposures, including—

(i) unadjudicated claims;

- 1 (ii) Federal insurance programs (in-
- 2 cluding both the financial contingency for
- 3 and risk assumed by such programs);
- 4 (iii) net future benefits under Social
- 5 Security, Medicare Part A, Medicare Part
- 6 B, and other social insurance programs;
- 7 (iv) life cycle costs, including deferred
- 8 and future maintenance and operating
- 9 costs associated with operating leases and
- 10 the maintenance of capital assets;
- 11 (v) unfunded portions of incrementally
- 12 funded capital projects;
- 13 (vi) disaster relief; and
- 14 (vii) others as deemed appropriate.

15 (2) ESTIMATES.—Where available, estimates
16 for each exposure should be included. Where reason-
17 able estimates are not available, a range of estimates
18 may be appropriate.

19 (3) OTHER EXPOSURES.—Exposures that are
20 analogous to those specified in paragraph (1) shall
21 also be included in the exposure categories identified
22 in such paragraph.

23 (c) FORMAT.—The report shall include a 1-page list
24 of all exposures. Additional disclosures shall include de-
25 scriptions of exposures, the estimation methodologies and

1 significant assumptions used, and an analysis of the impli-
 2 cations of the exposures for the long-term financial out-
 3 look. Additional analysis deemed informative may be pro-
 4 vided on subsequent pages.

5 (d) REVIEW WITH CONGRESS.—Following the sub-
 6 mission of the report on fiscal exposures to the Senate
 7 and the House of Representatives, the Comptroller Gen-
 8 eral shall review and report to the committee reviewing
 9 the report on the report, discussing—

- 10 (1) the extent to which all required disclosures
- 11 under this section have been made;
- 12 (2) the quality of the cost estimates;
- 13 (3) the scope of the information;
- 14 (4) the long-range financial outlook; and
- 15 (5) any other matters deemed appropriate.

16 (e) DEFINITIONS.—In this section:

- 17 (1) LIABILITIES.—The terms “liabilities”,
- 18 “commitments”, and “contingencies” shall be de-
- 19 fined in accordance with generally accepted account-
- 20 ing principles and standards of the United States
- 21 Federal Government.

- 22 (2) NET FUTURE BENEFIT PAYMENTS.—The
- 23 term “net future benefit payments” means the net
- 24 present value of negative cashflow. Negative
- 25 cashflow is to be calculated as the current amount

1 of funds needed to cover projected shortfalls, exclud-
 2 ing trust fund balances, over a 75-year period. This
 3 estimate should include births during the period and
 4 individuals below age 15 as of January 1 of the
 5 valuation year.

6 (3) RISK ASSUMED.—The term “risk assumed”
 7 means the full portion of the risk premium based on
 8 the expected cost of losses inherent in the Govern-
 9 ment’s commitment that is not charged to the in-
 10 sured. For example, the present value of unpaid ex-
 11 pected losses net of associated premiums, based on
 12 the risk assumed as a result of insurance coverage.

13 **SEC. 106. MANDATORY RECONCILIATION.**

14 (a) Section 301(a) of the Congressional Budget Act
 15 of 1974 is amended by:

- 16 (1) striking “and” at the end of paragraph (6);
- 17 (2) striking the period at the end of paragraph
- 18 (7) and inserting “; and” in its place; and
- 19 (3) adding at the end the following new para-
- 20 graph:

21 “(8) reconciliation directives made pursuant to
 22 section 310.”.

23 (b) RECONCILIATION LIMITED TO DEFICIT REDUC-
 24 TION.—

1 (1) IN THE SENATE.—It shall not be in order
2 in the Senate to consider a concurrent resolution on
3 the budget, or an amendment thereto, or a con-
4 ference report thereon that contains 1 or more rec-
5 onciliation directives pursuant to section 310 of the
6 Congressional Budget Act of 1974 that specify
7 changes in law causing a deficit or increasing the
8 deficit for either the period comprising the first 5
9 fiscal years following the current fiscal year or the
10 period comprising the second 5 years following the
11 current fiscal year. In determining whether reconcili-
12 ation directives specify changes in law causing a def-
13 icit or increasing the deficit, the sum of the direc-
14 tives for each reconciliation bill (under section 310
15 of the Congressional Budget Act of 1974) envisioned
16 by that measure shall be evaluated.

17 (2) EFFECTIVE DATE.—Paragraph (1) shall
18 apply only to concurrent resolutions on the budget
19 for fiscal years 2008 and 2009, amendments thereto,
20 and conference reports thereon.

21 **SEC. 107. LIMITATION ON LONG-TERM SPENDING PRO-**
22 **POSALS.**

23 The Congressional Budget Act of 1974 is amended
24 by adding the following new section—

1 **“SEC. 407. LIMITATION ON LONG-TERM SPENDING PRO-**
2 **POSALS.**

3 “(a) CONGRESSIONAL BUDGET OFFICE ANALYSIS OF
4 PROPOSALS.—The Director of the Congressional Budget
5 Office shall, to the extent practicable, prepare for each bill
6 or joint resolution reported from committee (except meas-
7 ures within the jurisdiction of the Committee on Appro-
8 priations) or placed on the Senate Legislative Calendar,
9 or amendments thereto or conference reports thereon, an
10 estimate of whether the measure would cause, relative to
11 current law, a net increase in direct spending in excess
12 of \$5,000,000,000 in any of the five 10-year periods be-
13 ginning with the budget year.

14 “(b) POINT OF ORDER.—In the Senate, it shall not
15 be in order to consider any bill, joint resolution, amend-
16 ment, motion, or conference report that would cause a net
17 increase in direct spending in excess of \$5,000,000,000
18 in any of the five 10-year periods described in subsection
19 (a).

20 “(c) WAIVER.—This section may be waived or sus-
21 pended only by the affirmative vote of three-fifths of the
22 Members, duly chosen and sworn.

23 “(d) APPEALS.—An affirmative vote of three-fifths of
24 the Members, duly chosen and sworn, shall be required
25 to sustain an appeal of the ruling of the Chair on a point
26 of order raised under this section.

1 “(e) DETERMINATIONS OF BUDGET LEVELS.—For
 2 purposes of this section, the levels of net direct spending
 3 shall be determined on the basis of estimates provided by
 4 the Committee on the Budget of the Senate.

5 “(f) APPLICATION TO RECONCILIATION.—This sec-
 6 tion shall not apply to any legislation reported pursuant
 7 to reconciliation directions contained in a concurrent reso-
 8 lution on the budget.”.

9 **SEC. 108. APPLICATION OF BUDGET ACT TO UNREPORTED**
 10 **BILLS.**

11 (a) ALLOCATIONS AND AGGREGATES.—Sections
 12 302(f)(1)(A) and 311(a)(1)(A) of the Congressional
 13 Budget Act of 1974 are amended by striking “as re-
 14 ported”.

15 (b) UNTIMELY BUDGET-RELATED LEGISLATION.—
 16 Section 303(b) of the Congressional Budget Act of 1974
 17 is amended—

18 (1) in paragraph (1), by striking “, as re-
 19 ported,” each place it appears;

20 (2) in paragraph (1)(B), by inserting “or” at
 21 the end;

22 (3) in paragraph (2), by striking “; or” and in-
 23 serting a period in its place; and

24 (4) by striking paragraph (3).

1 **TITLE II—REFORM OF BUDG-**
 2 **ETARY TREATMENT OF FED-**
 3 **ERAL INSURANCE PROGRAMS**

4 **SEC. 201. FEDERAL INSURANCE PROGRAMS.**

5 (a) IN GENERAL.—The Congressional Budget Act of
 6 1974 is amended by adding after title V the following new
 7 title:

8 **“TITLE VI—BUDGETARY TREAT-**
 9 **MENT OF FEDERAL INSUR-**
 10 **ANCE PROGRAMS**

11 **“SEC. 601. SHORT TITLE.**

12 “This title may be cited as the ‘Federal Insurance
 13 Budgeting Act of 2005’.

14 **“SEC. 602. BUDGETARY TREATMENT.**

15 “(a) PRESIDENT’S BUDGET.—Beginning with fiscal
 16 year 2012, the budget of the Government submitted pur-
 17 suant to section 1105(a) of title 31, United States Code,
 18 shall be based on the risk-assumed cost of Federal insur-
 19 ance programs.

20 “(b) BUDGET ACCOUNTING.—For any Federal insur-
 21 ance program—

22 “(1) the program account shall—

23 “(A) pay the risk-assumed cost borne by
 24 taxpayers to the financing account; and

1 “(B) pay actual insurance program admin-
2 istrative costs; and

3 “(2) the financing account shall—

4 “(A) receive premiums and other income;

5 “(B) pay all claims for insurance and re-
6 ceive all recoveries; and

7 “(C) transfer to the program account on
8 not less than an annual basis amounts nec-
9 essary to pay insurance program administrative
10 costs;

11 “(3) a negative risk-assumed cost shall be
12 transferred from the financing account to the pro-
13 gram account, and shall be transferred from the pro-
14 gram account to the general fund; and

15 “(4) all payments by or receipts of the financ-
16 ing accounts shall be treated in the budget as a
17 means of financing.

18 “(c) APPROPRIATIONS REQUIRED.—(1) Notwith-
19 standing any other provision of law, insurance commit-
20 ments may be made for fiscal year 2010 and thereafter
21 only to the extent that new budget authority to cover their
22 risk-assumed cost is provided in advance in an appropria-
23 tion Act.

24 “(2) An outstanding insurance commitment shall not
25 be modified in a manner that increases its risk-assumed

1 cost unless budget authority for the additional cost has
2 been provided in advance.

3 “(3) Paragraph (1) shall not apply to Federal insur-
4 ance programs that constitute entitlements.

5 “(d) REESTIMATES.—

6 “(1) IN GENERAL.—The risk-assumed cost for
7 a fiscal year shall be reestimated in each subsequent
8 year. Such reestimate can equal zero. In the case of
9 a positive reestimate, the amount of the reestimate
10 shall be paid from the program account to the fi-
11 nancing account. In the case of a negative reesti-
12 mate, the amount of the reestimate shall be paid
13 from the financing account to the program account,
14 and shall be transferred from the program account
15 to the general fund. Reestimates shall be displayed
16 as a distinct and separately identified subaccount in
17 the program account.

18 “(2) APPROPRIATIONS.—There are appro-
19 priated such sums as are necessary to fund a posi-
20 tive reestimate under paragraph (1).

21 “(e) ADMINISTRATIVE EXPENSES.—All funding for
22 an agency’s administration of a Federal insurance pro-
23 gram shall be displayed as a distinct and separately identi-
24 fied subaccount in the program account.

1 **“SEC. 603. TIMETABLE FOR IMPLEMENTATION OF ACCRUAL**
2 **BUDGETING FOR FEDERAL INSURANCE PRO-**
3 **GRAMS.**

4 “(a) AGENCY REQUIREMENTS.—Agencies with re-
5 sponsibility for Federal insurance programs shall develop
6 models to estimate their risk-assumed cost by year
7 through the budget horizon and shall submit those models,
8 all relevant data, a justification for critical assumptions,
9 and the annual projected risk-assumed costs to OMB with
10 their budget requests each year starting with the request
11 for fiscal year 2009. Agencies will likewise provide OMB
12 with annual estimates of modifications, if any, and reesti-
13 mates of program costs.

14 “(b) DISCLOSURE.—When the President submits a
15 budget of the Government pursuant to section 1105(a) of
16 title 31, United States Code, for fiscal year 2009, OMB
17 shall publish a notice in the Federal Register advising in-
18 terested persons of the availability of information describ-
19 ing the models, data (including sources), and critical as-
20 sumptions (including explicit or implicit discount rate as-
21 sumptions) that it or other executive branch entities would
22 use to estimate the risk-assumed cost of Federal insurance
23 programs and giving such persons an opportunity to sub-
24 mit comments. At the same time, the chairman of the
25 Committee on the Budget shall publish a notice for CBO
26 in the Federal Register advising interested persons of the

1 availability of information describing the models, data (in-
2 cluding sources), and critical assumptions (including ex-
3 plicit or implicit discount rate assumptions) that it would
4 use to estimate the risk-assumed cost of Federal insurance
5 programs and giving such interested persons an oppor-
6 tunity to submit comments.

7 “(c) REVISION.—After consideration of comments
8 pursuant to subsection (b), and in consultation with the
9 Committees on the Budget of the House of Representa-
10 tives and the Senate, OMB and CBO shall revise the mod-
11 els, data, and major assumptions they would use to esti-
12 mate the risk-assumed cost of Federal insurance pro-
13 grams.

14 “(d) OMB, CBO, AND GAO EVALUATIONS.—(1) Not
15 later than 6 months after the budget submission of the
16 President pursuant to section 1105(a) of title 31, United
17 States Code, for fiscal year 2011, OMB, CBO, and GAO
18 shall each submit to the Committees on the Budget of the
19 House of Representatives and the Senate a report that
20 evaluates the advisability and appropriate implementation
21 of this title.

22 “(2) Each report made pursuant to paragraph (1)
23 shall address the following:

24 “(A) The adequacy of risk-assumed estimation
25 models used and alternative modeling methods.

1 “(B) The availability and reliability of data or
2 information necessary to carry out this title.

3 “(C) The appropriateness of the explicit or im-
4 plicit discount rate used in the various risk-assumed
5 estimation models.

6 “(D) The advisability of specifying a statutory
7 discount rate (such as the Treasury rate) for use in
8 risk-assumed estimation models.

9 “(E) The ability of OMB, CBO, or GAO, as ap-
10 plicable, to secure any data or information directly
11 from any Federal agency necessary to enable it to
12 carry out this title.

13 “(F) The relationship between risk-assumed ac-
14 crual budgeting for Federal insurance programs and
15 the specific requirements of the Balanced Budget
16 and Emergency Deficit Control Act of 1985.

17 “(G) Whether Federal budgeting is improved by
18 the inclusion of risk-assumed cost estimates for Fed-
19 eral insurance programs.

20 “(H) The advisability of including each of the
21 programs currently estimated on a risk-assumed cost
22 basis in the Federal budget on that basis.

23 **“SEC. 604. DEFINITIONS.**

24 “For purposes of this title:

1 “(1) The term ‘CBO’ means the Director of the
2 Congressional Budget Office.

3 “(2) The term ‘current’ has the same meaning
4 as in section 250(c)(9) of the Balanced Budget and
5 Emergency Deficit Control Act of 1985.

6 “(3) The term ‘Federal insurance program’
7 means a program that makes insurance commit-
8 ments and includes the list of such programs as to
9 be defined by the budget concepts commission, as re-
10 quired by title IV of the Truth in Budgeting and So-
11 cial Security Protection Act of 2005.

12 “(4) The term ‘financing account’ means the
13 nonbudget account that is associated with each pro-
14 gram account which receives payments from or
15 makes payments to the program account, receives
16 premiums and other payments from the public, pays
17 insurance claims, and holds balances.

18 “(5) The term ‘GAO’ means the Comptroller
19 General of the United States.

20 “(6) The term ‘insurance commitment’ means
21 an agreement in advance by a Federal agency to in-
22 demnify a non-Federal entity against specified
23 losses. This term does not include loan guarantees
24 as defined in title V or benefit programs such as so-

1 cial security, medicare, and similar existing social in-
2 surance programs.

3 “(7) The term ‘model’ means any actuarial, fi-
4 nancial, econometric, probabilistic, or other method-
5 ology used to estimate the expected frequency and
6 magnitude of loss-producing events, expected pre-
7 miums or collections from or on behalf of the in-
8 sured, expected recoveries, and administrative ex-
9 penses.

10 “(8) The term ‘modification’ means any Gov-
11 ernment action that alters the risk-assumed cost of
12 an existing insurance commitment from the current
13 estimate of cash flows. This includes any action re-
14 sulting from new legislation, or from the exercise of
15 administrative discretion under existing law, that di-
16 rectly or indirectly alters the estimated cost of exist-
17 ing insurance commitments.

18 “(9) The term ‘OMB’ means the Director of
19 the Office of Management and Budget.

20 “(10) The term ‘program account’ means the
21 budget account for the risk-assumed cost, and for
22 paying all costs of administering the insurance pro-
23 gram, and is the account from which the risk-as-
24 sumed cost is disbursed to the financing account.

1 “(11)(A) The term ‘risk-assumed cost’ means
2 the net present value of the estimated cash flows to
3 and from the Government resulting from an insur-
4 ance commitment or modification thereof.

5 “(B) The cash flows associated with an insur-
6 ance commitment include—

7 “(i) expected claims payments inherent in
8 the Government’s commitment;

9 “(ii) net premiums (expected premium col-
10 lections received from or on behalf of the in-
11 sured less expected administrative expenses);

12 “(iii) expected recoveries; and

13 “(iv) expected changes in claims, pre-
14 miums, or recoveries resulting from the exercise
15 by the insured of any option included in the in-
16 surance commitment.

17 “(C) The cost of a modification is the difference
18 between the current estimate of the net present
19 value of the remaining cash flows under the terms
20 of the insurance commitment, and the current esti-
21 mate of the net present value of the remaining cash
22 flows under the terms of the insurance commitment
23 as modified.

24 “(D) The cost of a reestimate is the difference
25 between the net present value of the amount cur-

1 rently required by the financing account to pay esti-
 2 mated claims and other expenditures and the
 3 amount currently available in the financing account.
 4 The cost of a reestimate shall be accounted for in
 5 the current year in the budget of the Government
 6 submitted pursuant to section 1105(a) of title 31,
 7 United States Code.

8 “(E) For purposes of this definition, expected
 9 administrative expenses shall be construed as the
 10 amount estimated to be necessary for the proper ad-
 11 ministration of the insurance program. This amount
 12 may differ from amounts actually appropriated or
 13 otherwise made available for the administration of
 14 the program.

15 **“SEC. 605. AUTHORIZATIONS TO ENTER INTO CONTRACTS;**
 16 **ACTUARIAL COST ACCOUNT.**

17 “(a) AUTHORIZATION OF APPROPRIATIONS.—There
 18 is authorized to be appropriated \$600,000 for each of fis-
 19 cal years 2008 through 2013 to the Director of the Office
 20 of Management and Budget and each agency responsible
 21 for administering a Federal program to carry out this
 22 title.

23 “(b) TREASURY TRANSACTIONS WITH THE FINANC-
 24 ING ACCOUNTS.—The Secretary of the Treasury shall bor-
 25 row from, receive from, lend to, or pay the insurance fi-

1 nancing accounts such amounts as may be appropriate.
 2 The Secretary of the Treasury may prescribe forms and
 3 denominations, maturities, and terms and conditions for
 4 the transactions described above. The authorities de-
 5 scribed above shall not be construed to supersede or over-
 6 ride the authority of the head of a Federal agency to ad-
 7 minister and operate an insurance program. All the trans-
 8 actions provided in this subsection shall be subject to the
 9 provisions of subchapter II of chapter 15 of title 31,
 10 United States Code. Cash balances of the financing ac-
 11 counts in excess of current requirements shall be main-
 12 tained in a form of uninvested funds, and the Secretary
 13 of the Treasury shall pay interest on these funds.

14 “(c) APPROPRIATION OF AMOUNT NECESSARY TO
 15 COVER RISK-ASSUMED COST OF INSURANCE COMMIT-
 16 MENTS AT TRANSITION DATE.—(1) A financing account
 17 is established on September 30, 2011, for each Federal
 18 insurance program.

19 “(2) These financing accounts shall be used in imple-
 20 menting the budget accounting required by this title.

21 **“SEC. 606. EFFECTIVE DATE.**

22 “(a) IN GENERAL.—This title shall take effect imme-
 23 diately and shall expire on September 30, 2013.

24 “(b) SPECIAL RULE.—If this title is not reauthorized
 25 by September 30, 2013, then the accounting structure and

1 budgetary treatment of Federal insurance programs shall
 2 revert to the accounting structure and budgetary treat-
 3 ment in effect immediately before the date of enactment
 4 of this title.”.

5 (b) CONFORMING AMENDMENT.—The table of con-
 6 tents set forth in section 1(b) of the Congressional Budget
 7 and Impoundment Control Act of 1974 is amended by in-
 8 serting after the item relating to section 507 the following
 9 new items:

“TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE
 PROGRAMS

“Sec. 601. Short title.

“Sec. 602. Budgetary treatment.

“Sec. 603. Timetable for implementation of accrual budgeting for Federal in-
 surance programs.

“Sec. 604. Definitions.

“Sec. 605. Authorizations to enter into contracts; actuarial cost account.

“Sec. 606. Effective date.”.

10 **TITLE III—BIENNIAL BUDG-**
 11 **ETING AND APPROPRIATIONS**

12 **SEC. 301. REVISION OF TIMETABLE.**

13 Section 300 of the Congressional Budget Act of 1974
 14 (2 U.S.C. 631) is amended to read as follows:

15 “TIMETABLE

16 “SEC. 300. (a) IN GENERAL.—Except as provided by
 17 subsection (b), the timetable with respect to the congres-
 18 sional budget process for any Congress (beginning with
 19 the 111th Congress) is as follows:

“	First Session
On or before:	Action to be completed:
First Monday in February.	President submits budget recommendations.
February 15	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after budget submission.	Committees submit views and estimates to Budget Committees.
April 1	Budget Committees report concurrent resolution on the biennial budget.
May 15	Congress completes action on concurrent resolution on the biennial budget.
May 15	Biennial appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last biennial appropriation bill.
June 30	House completes action on biennial appropriation bills.
August 1	Congress completes action on reconciliation legislation.
October 1	Biennium begins.
	Second Session
On or before:	Action to be completed:
February 15	President submits budget review.
Not later than 6 weeks after President submits budget review.	Congressional Budget Office submits report to Budget Committees.
The last day of the session.	Congress completes action on bills and resolutions authorizing new budget authority for the succeeding biennium.

1 “(b) SPECIAL RULE.—In the case of any first session
2 of Congress that begins in any year immediately following
3 a leap year and during which the term of a President (ex-
4 cept a President who succeeds himself) begins, the fol-

1 lowing dates shall supersede those set forth in subsection
 2 (a):

“	First Session
On or before:	Action to be completed:
First Monday in April	President submits budget recommendations.
April 20	Committees submit views and estimates to Budget Committees.
May 15	Budget Committees report concurrent resolution on the biennial budget.
June 1	Congress completes action on concurrent resolution on the biennial budget.
July 1	Biennial appropriation bills may be considered in the House.
July 20	House completes action on biennial appropriation bills.
August 1	Congress completes action on reconciliation legislation.
October 1	Biennium begins.”.

3 **SEC. 302. AMENDMENTS TO THE CONGRESSIONAL BUDGET**
 4 **AND IMPOUNDMENT CONTROL ACT OF 1974.**

5 (a) DECLARATION OF PURPOSE.—Section 2(2) of the
 6 Congressional Budget and Impoundment Control Act of
 7 1974 (2 U.S.C. 621(2)) is amended by striking “each
 8 year” and inserting “biennially”.

9 (b) DEFINITIONS.—

10 (1) BUDGET RESOLUTION.—Section 3(4) of
 11 such Act (2 U.S.C. 622(4)) is amended by striking
 12 “fiscal year” each place it appears and inserting “bi-
 13 ennium”.

1 (2) BIENNIUM.—Section 3 of such Act (2
 2 U.S.C. 622) is further amended by adding at the
 3 end the following new paragraph:

4 “(11) The term ‘biennium’ means the period of
 5 2 consecutive fiscal years beginning on October 1 of
 6 any odd-numbered year.”.

7 (c) BIENNIAL CONCURRENT RESOLUTION ON THE
 8 BUDGET.—

9 (1) CONTENTS OF RESOLUTION.—Section
 10 301(a) of such Act (2 U.S.C. 632(a)) is amended—

11 (A) in the matter preceding paragraph (1)
 12 by—

13 (i) striking “April 15 of each year”
 14 and inserting “May 15 of each odd-num-
 15 bered year”;

16 (ii) striking “the fiscal year beginning
 17 on October 1 of such year” the first place
 18 it appears and inserting “the biennium be-
 19 ginning on October 1 of such year”; and

20 (iii) striking “the fiscal year beginning
 21 on October 1 of such year” the second
 22 place it appears and inserting “each fiscal
 23 year in such period”;

1 (B) in paragraph (6), by striking “for the
2 fiscal year” and inserting “for each fiscal year
3 in the biennium”; and

4 (C) in paragraph (7), by striking “for the
5 first fiscal year” and inserting “for each fiscal
6 year in the biennium”.

7 (2) ADDITIONAL MATTERS.—Section 301(b)(3)
8 of such Act (2 U.S.C. 632(b)) is amended by strik-
9 ing “for such fiscal year” and inserting “for either
10 fiscal year in such biennium”.

11 (3) VIEWS OF OTHER COMMITTEES.—Section
12 301(d) of such Act (2 U.S.C. 632(d)) is amended by
13 inserting “(or, if applicable, as provided by section
14 300(b))” after “United States Code”.

15 (4) HEARINGS.—Section 301(e)(1) of such Act
16 (2 U.S.C. 632(e)) is amended by—

17 (A) striking “fiscal year” and inserting
18 “biennium”; and

19 (B) inserting after the second sentence the
20 following: “On or before April 1 of each odd-
21 numbered year (or, if applicable, as provided by
22 section 300(b)), the Committee on the Budget
23 of each House shall report to its House the con-
24 current resolution on the budget referred to in

1 subsection (a) for the biennium beginning on
 2 October 1 of that year.”.

3 (5) GOALS FOR REDUCING UNEMPLOYMENT.—
 4 Section 301(f) of such Act (2 U.S.C. 632(f)) is
 5 amended by striking “fiscal year” each place it ap-
 6 pears and inserting “biennium”.

7 (6) ECONOMIC ASSUMPTIONS.—Section
 8 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is
 9 amended by striking “for a fiscal year” and insert-
 10 ing “for a biennium”.

11 (7) SECTION HEADING.—The section heading of
 12 section 301 of such Act is amended by striking “**AN-**
 13 **NUAL**” and inserting “**BIENNIAL**”.

14 (8) TABLE OF CONTENTS.—The item relating
 15 to section 301 in the table of contents set forth in
 16 section 1(b) of such Act is amended by striking “An-
 17 nual” and inserting “Biennial”.

18 (d) COMMITTEE ALLOCATIONS.—Section 302 of such
 19 Act (2 U.S.C. 633) is amended—

20 (1) in subsection (a)(1), by—

21 (A) striking “for the first fiscal year of the
 22 resolution,” and inserting “for each fiscal year
 23 in the biennium,”;

1 (B) striking “for that period of fiscal
2 years” and inserting “for all fiscal years cov-
3 ered by the resolution”; and

4 (C) striking “for the fiscal year of that
5 resolution” and inserting “for each fiscal year
6 in the biennium”;

7 (2) in subsection (f)(1), by striking “for a fiscal
8 year” and inserting “for a biennium”;

9 (3) in subsection (f)(1), by striking “first fiscal
10 year” and inserting “each fiscal year of the bien-
11 nium”;

12 (4) in subsection (f)(2)(A), by—

13 (A) striking “first fiscal year” and insert-
14 ing “each fiscal year of the biennium”; and

15 (B) striking “the total of fiscal years” and
16 inserting “the total of all fiscal years covered by
17 the resolution”; and

18 (5) in subsection (g)(1)(A), by striking “April”
19 and inserting “May”.

20 (e) SECTION 303 POINT OF ORDER.—

21 (1) IN GENERAL.—Section 303(a) of such Act
22 (2 U.S.C. 634(a)) is amended by striking “first fis-
23 cal year” and inserting “each fiscal year of the bien-
24 nium”.

1 (2) EXCEPTIONS IN THE HOUSE.—Section
 2 303(b)(1) of such Act (2 U.S.C. 634(b)) is amend-
 3 ed—

4 (A) in subparagraph (A), by striking “the
 5 budget year” and inserting “the biennium”;
 6 and

7 (B) in subparagraph (B), by striking “the
 8 fiscal year” and inserting “the biennium”.

9 (3) APPLICATION TO THE SENATE.—Section
 10 303(c)(1) of such Act (2 U.S.C. 634(c)) is amended
 11 by—

12 (A) striking “fiscal year” and inserting
 13 “biennium”; and

14 (B) striking “that year” and inserting
 15 “each fiscal year of that biennium”.

16 (f) PERMISSIBLE REVISIONS OF CONCURRENT RESO-
 17 LUTIONS ON THE BUDGET.—Section 304(a) of such Act
 18 (2 U.S.C. 635) is amended—

19 (1) by striking “fiscal year” the first 2 places
 20 it appears and inserting “biennium”;

21 (2) by striking “for such fiscal year”; and

22 (3) by inserting before the period “for such bi-
 23 ennium”.

24 (g) PROCEDURES FOR CONSIDERATION OF BUDGET
 25 RESOLUTIONS.—Section 305(a)(3) of such Act (2 U.S.C.

1 636(b)(3)) is amended by striking “fiscal year” and in-
 2 serting “biennium”.

3 (h) COMPLETION OF HOUSE ACTION ON APPROPRIA-
 4 TION BILLS.—Section 307 of such Act (2 U.S.C. 638) is
 5 amended—

6 (1) by striking “each year” and inserting “each
 7 odd-numbered year”;

8 (2) by striking “annual” and inserting “bien-
 9 nial”;

10 (3) by striking “fiscal year” and inserting “bi-
 11 ennium”; and

12 (4) by striking “that year” and inserting “each
 13 odd-numbered year”.

14 (i) COMPLETION OF ACTION ON REGULAR APPRO-
 15 PRIATION BILLS.—Section 309 of such Act (2 U.S.C.
 16 640) is amended—

17 (1) by inserting “of any odd-numbered calendar
 18 year” after “July”;

19 (2) by striking “annual” and inserting “bien-
 20 nial”; and

21 (3) by striking “fiscal year” and inserting “bi-
 22 ennium”.

23 (j) RECONCILIATION PROCESS.—Section 310(a) of
 24 such Act (2 U.S.C. 641(a)) is amended—

1 (1) in the matter preceding paragraph (1), by
 2 striking “any fiscal year” and inserting “any bien-
 3 nium”; and

4 (2) in paragraph (1) by striking “such fiscal
 5 year” each place it appears and inserting “any fiscal
 6 year covered by such resolution”.

7 (k) SECTION 311 POINT OF ORDER.—

8 (1) IN THE HOUSE.—Section 311(a)(1) of such
 9 Act (2 U.S.C. 642(a)) is amended—

10 (A) by striking “for a fiscal year” and in-
 11 serting “for a biennium”;

12 (B) by striking “the first fiscal year” each
 13 place it appears and inserting “either fiscal
 14 year of the biennium”; and

15 (C) by striking “that first fiscal year” and
 16 inserting “each fiscal year in the biennium”.

17 (2) IN THE SENATE.—Section 311(a)(2) of
 18 such Act is amended—

19 (A) in subparagraph (A), by striking “for
 20 the first fiscal year” and inserting “for either
 21 fiscal year of the biennium”; and

22 (B) in subparagraph (B)—

23 (i) by striking “that first fiscal year”
 24 the first place it appears and inserting
 25 “each fiscal year in the biennium”; and

1 (ii) by striking “that first fiscal year
 2 and the ensuing fiscal years” and inserting
 3 “all fiscal years”.

4 (3) SOCIAL SECURITY LEVELS.—Section
 5 311(a)(3) of such Act is amended by—

6 (A) striking “for the first fiscal year” and
 7 inserting “each fiscal year in the biennium”;
 8 and

9 (B) striking “that fiscal year and the ensu-
 10 ing fiscal years” and inserting “all fiscal
 11 years”.

12 (l) MDA POINT OF ORDER.—Section 312(c) of the
 13 Congressional Budget Act of 1974 (2 U.S.C. 643) is
 14 amended—

15 (1) by striking “for a fiscal year” and inserting
 16 “for a biennium”;

17 (2) in paragraph (1), by striking “first fiscal
 18 year” and inserting “either fiscal year in the bien-
 19 nium”;

20 (3) in paragraph (2), by striking “that fiscal
 21 year” and inserting “either fiscal year in the bien-
 22 nium”; and

23 (4) in the matter following paragraph (2), by
 24 striking “that fiscal year” and inserting “the appli-
 25 cable fiscal year”.

1 **SEC. 303. AMENDMENTS TO TITLE 31, UNITED STATES**
 2 **CODE.**

3 (a) DEFINITION.—Section 1101 of title 31, United
 4 States Code, is amended by adding at the end thereof the
 5 following new paragraph:

6 “(3) ‘biennium’ has the meaning given to such
 7 term in paragraph (11) of section 3 of the Congres-
 8 sional Budget and Impoundment Control Act of
 9 1974 (2 U.S.C. 622(11)).”.

10 (b) BUDGET CONTENTS AND SUBMISSION TO CON-
 11 GRESS.—

12 (1) SCHEDULE.—The matter preceding para-
 13 graph (1) in section 1105(a) of title 31, United
 14 States Code, is amended to read as follows:

15 “(a) On or before the first Monday in February of
 16 each odd-numbered year (or, if applicable, as provided by
 17 section 300(b) of the Congressional Budget Act of 1974),
 18 beginning with the 111th Congress, the President shall
 19 transmit to Congress, the budget for the biennium begin-
 20 ning on October 1 of such calendar year. The budget
 21 transmitted under this subsection shall include a budget
 22 message and summary and supporting information. The
 23 President shall include in each budget the following:”.

24 (2) EXPENDITURES.—Section 1105(a)(5) of
 25 title 31, United States Code, is amended by striking
 26 “the fiscal year for which the budget is submitted

1 and the 4 fiscal years after that year” and inserting
 2 “each fiscal year in the biennium for which the
 3 budget is submitted and in the succeeding 4 years”.

4 (3) RECEIPTS.—Section 1105(a)(6) of title 31,
 5 United States Code, is amended by striking “the fis-
 6 cal year for which the budget is submitted and the
 7 4 fiscal years after that year” and inserting “each
 8 fiscal year in the biennium for which the budget is
 9 submitted and in the succeeding 4 years”.

10 (4) BALANCE STATEMENTS.—Section
 11 1105(a)(9)(C) of title 31, United States Code, is
 12 amended by striking “the fiscal year” and inserting
 13 “each fiscal year in the biennium”.

14 (5) FUNCTIONS AND ACTIVITIES.—Section
 15 1105(a)(12) of title 31, United States Code, is
 16 amended in subparagraph (A), by striking “the fis-
 17 cal year” and inserting “each fiscal year in the bien-
 18 nium”.

19 (6) ALLOWANCES.—Section 1105(a)(13) of title
 20 31, United States Code, is amended by striking “the
 21 fiscal year” and inserting “each fiscal year in the bi-
 22 ennium”.

23 (7) ALLOWANCES FOR UNCONTROLLED EX-
 24 PENDITURES.—Section 1105(a)(14) of title 31,
 25 United States Code, is amended by striking “that

year” and inserting “each fiscal year in the biennium for which the budget is submitted”.

(8) TAX EXPENDITURES.—Section 1105(a)(16) of title 31, United States Code, is amended by striking “the fiscal year” and inserting “each fiscal year in the biennium”.

(9) FUTURE YEARS.—Section 1105(a)(17) of title 31, United States Code, is amended—

(A) by striking “the fiscal year following the fiscal year” and inserting “each fiscal year in the biennium following the biennium”;

(B) by striking “that following fiscal year” and inserting “each such fiscal year”; and

(C) by striking “fiscal year before the fiscal year” and inserting “biennium before the biennium”.

(10) PRIOR YEAR OUTLAYS.—Section 1105(a)(18) of title 31, United States Code, is amended—

(A) by striking “the prior fiscal year” and inserting “each of the 2 most recently completed fiscal years,”;

(B) by striking “for that year” and inserting “with respect to those fiscal years”; and

1 (C) by striking “in that year” and insert-
 2 ing “in those fiscal years”.

3 (11) PRIOR YEAR RECEIPTS.—Section
 4 1105(a)(19) of title 31, United States Code, is
 5 amended—

6 (A) by striking “the prior fiscal year” and
 7 inserting “each of the 2 most recently com-
 8 pleted fiscal years”;

9 (B) by striking “for that year” and insert-
 10 ing “with respect to those fiscal years”; and

11 (C) by striking “in that year” each place
 12 it appears and inserting “in those fiscal years”.

13 (c) ESTIMATED EXPENDITURES OF LEGISLATIVE
 14 AND JUDICIAL BRANCHES.—Section 1105(b) of title 31,
 15 United States Code, is amended by striking “each year”
 16 and inserting “each even-numbered year”.

17 (d) RECOMMENDATIONS TO MEET ESTIMATED DE-
 18 FICIENCIES.—Section 1105(c) of title 31, United States
 19 Code, is amended—

20 (1) by striking “the fiscal year for” the first
 21 place it appears and inserting “each fiscal year in
 22 the biennium for”;

23 (2) by striking “the fiscal year for” the second
 24 place it appears and inserting “each fiscal year of
 25 the biennium, as the case may be,”; and

1 (3) by striking “that year” and inserting “for
2 each year of the biennium”.

3 (e) CAPITAL INVESTMENT ANALYSIS.—Section
4 1105(e)(1) of title 31, United States Code, is amended
5 by striking “ensuing fiscal year” and inserting “biennium
6 to which such budget relates”.

7 (f) SUPPLEMENTAL BUDGET ESTIMATES AND
8 CHANGES.—

9 (1) IN GENERAL.—Section 1106(a) of title 31,
10 United States Code, is amended—

11 (A) in the matter preceding paragraph (1),
12 by—

13 (i) striking “Before July 16 of each
14 year,” and inserting “Before February 15
15 of each even numbered year,”; and

16 (ii) striking “fiscal year” and insert-
17 ing “biennium”;

18 (B) in paragraph (1), by striking “that fis-
19 cal year” and inserting “each fiscal year in
20 such biennium”;

21 (C) in paragraph (2), by striking “4 fiscal
22 years following the fiscal year” and inserting “4
23 fiscal years following the biennium”; and

24 (D) in paragraph (3), by striking “fiscal
25 year” and inserting “biennium”.

1 (2) CHANGES.—Section 1106(b) of title 31,
2 United States Code, is amended by—

3 (A) striking “the fiscal year” and inserting
4 “each fiscal year in the biennium”;

5 (B) striking “April 11 and July 16 of each
6 year” and inserting “February 15 of each even-
7 numbered year”; and

8 (C) striking “July 16” and inserting “Feb-
9 ruary 15 of each even-numbered year.”.

10 (g) CURRENT PROGRAMS AND ACTIVITIES ESTI-
11 MATES.—

12 (1) IN GENERAL.—Section 1109(a) of title 31,
13 United States Code, is amended—

14 (A) by striking “On or before the first
15 Monday after January 3 of each year (on or be-
16 fore February 5 in 1986)” and inserting “At
17 the same time the budget required by section
18 1105 is submitted for a biennium”; and

19 (B) by striking “the following fiscal year”
20 and inserting “each fiscal year of such period”.

21 (2) JOINT ECONOMIC COMMITTEE.—Section
22 1109(b) of title 31, United States Code, is amended
23 by striking “March 1 of each year” and inserting
24 “within 6 weeks of the President’s budget submis-
25 sion for each odd-numbered year (or, if applicable,

1 as provided by section 300(b) of the Congressional
2 Budget Act of 1974)”.
3

4 (h) YEAR-AHEAD REQUESTS FOR AUTHORIZING
5 LEGISLATION.—Section 1110 of title 31, United States
6 Code, is amended by—

7 (1) striking “May 16” and inserting “March
8 31”; and

9 (2) striking “year before the year in which the
10 fiscal year begins” and inserting “calendar year pre-
11 ceding the calendar year in which the biennium be-
12 gins”.

13 **SEC. 304. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE**
14 **OF APPROPRIATIONS ACTS.**

15 Section 105 of title 1, United States Code, is amend-
16 ed to read as follows:

17 **“§ 105. Title and style of appropriations Acts**

18 “(a) The style and title of all Acts making appropria-
19 tions for the support of the Government shall be as fol-
20 lows: ‘An Act making appropriations (here insert the ob-
21 ject) for each fiscal year in the biennium of fiscal years
22 (here insert the fiscal years of the biennium).’.

23 “(b) All Acts making regular appropriations for the
24 support of the Government shall be enacted for a biennium
25 and shall specify the amount of appropriations provided
for each fiscal year in such period.

1 “(c) For purposes of this section, the term ‘biennium’
 2 has the same meaning as in section 3(11) of the Congres-
 3 sional Budget and Impoundment Control Act of 1974 (2
 4 U.S.C. 622(11)).”.

5 **SEC. 305. MULTIYEAR AUTHORIZATIONS.**

6 (a) IN GENERAL.—Title III of the Congressional
 7 Budget Act of 1974 is amended by adding at the end the
 8 following new section:

9 “AUTHORIZATIONS OF APPROPRIATIONS

10 “SEC. 319. (a) POINT OF ORDER.—It shall not be
 11 in order in the House of Representatives or the Senate
 12 to consider—

13 “(1) any bill, joint resolution, amendment, mo-
 14 tion, or conference report that authorizes appropria-
 15 tions for a period of less than 2 fiscal years, unless
 16 the program, project, or activity for which the ap-
 17 propriations are authorized will require no further
 18 appropriations and will be completed or terminated
 19 after the appropriations have been expended; and

20 “(2) in any odd-numbered year, any authoriza-
 21 tion or revenue bill or joint resolution until Congress
 22 completes action on the biennial budget resolution,
 23 all regular biennial appropriations bills, and all rec-
 24 onciliation bills.

25 “(b) APPLICABILITY.—In the Senate, subsection (a)
 26 shall not apply to—

1 “(1) any measure that is privileged for consid-
 2 eration pursuant to a rule or statute;

3 “(2) any matter considered in Executive Ses-
 4 sion; or

5 “(3) an appropriations measure or reconcili-
 6 ation bill.”.

7 (b) AMENDMENT TO TABLE OF CONTENTS.—The
 8 table of contents set forth in section 1(b) of the Congres-
 9 sional Budget and Impoundment Control Act of 1974 is
 10 amended by adding after the item relating to section 318
 11 the following new item:

“Sec. 319. Authorizations of appropriations.”.

12 **SEC. 306. GOVERNMENT PLANS ON A BIENNIAL BASIS.**

13 (a) STRATEGIC PLANS.—Section 306 of title 5,
 14 United States Code, is amended—

15 (1) in subsection (a), by striking “September
 16 30, 1997” and inserting “September 30, 2009”;

17 (2) in subsection (b)—

18 (A) by striking “at least every three years”
 19 and inserting “at least every four years”; and

20 (B) by striking “five years forward” and
 21 inserting “six years forward”; and

22 (3) in subsection (c), by inserting a comma
 23 after “section” the second place it appears and add-
 24 ing “including a strategic plan submitted by Sep-

1 tember 30, 2009 meeting the requirements of sub-
2 section (a)’’.

3 (b) BUDGET CONTENTS AND SUBMISSION TO CON-
4 GRESS.—Paragraph (28) of section 1105(a) of title 31,
5 United States Code, is amended by striking ‘‘beginning
6 with fiscal year 1999, a’’ and inserting ‘‘beginning with
7 fiscal year 2010, a biennial’’.

8 (c) PERFORMANCE PLANS.—Section 1115 of title 31,
9 United States Code, is amended—

10 (1) in subsection (a)—

11 (A) in the matter before paragraph (1)—

12 (i) by striking ‘‘section 1105(a)(29)’’
13 and inserting ‘‘section 1105(a)(28)’’; and

14 (ii) by striking ‘‘an annual’’ and in-
15 serting ‘‘a biennial’’;

16 (B) in paragraph (1), by inserting after
17 ‘‘program activity’’ the following: ‘‘for both
18 years 1 and 2 of the biennial plan’’;

19 (C) in paragraph (5), by striking ‘‘and’’
20 after the semicolon;

21 (D) in paragraph (6), by striking the pe-
22 riod and inserting a semicolon; and inserting
23 ‘‘and’’ after the inserted semicolon; and

24 (E) by adding after paragraph (6) the fol-
25 lowing:

1 “(7) cover a 2-year period beginning with the
2 first fiscal year of the next biennial budget cycle.”;

3 (2) in subsection (d), by striking “annual” and
4 inserting “biennial”; and

5 (3) in paragraph (6) of subsection (f), by strik-
6 ing “annual” and inserting “biennial”.

7 (d) MANAGERIAL ACCOUNTABILITY AND FLEXI-
8 BILITY.—Section 9703 of title 31, United States Code, re-
9 lating to managerial accountability, is amended—

10 (1) in subsection (a)—

11 (A) in the first sentence by striking “an-
12 nual”; and

13 (B) by striking “section 1105(a)(29)” and
14 inserting “section 1105(a)(28)”; and

15 (2) in subsection (e)—

16 (A) in the first sentence by striking “one
17 or” before “years”;

18 (B) in the second sentence by striking “a
19 subsequent year” and inserting “for a subse-
20 quent 2-year period”; and

21 (C) in the third sentence by striking
22 “three” and inserting “four”.

23 (e) PILOT PROJECTS FOR PERFORMANCE BUDG-
24 ETING.—Section 1119 of title 31, United States Code, is
25 amended—

1 (1) in paragraph (1) of subsection (d), by strik-
 2 ing “annual” and inserting “biennial”; and

3 (2) in subsection (e), by striking “annual” and
 4 inserting “biennial”.

5 (f) STRATEGIC PLANS.—Section 2802 of title 39,
 6 United States Code, is amended—

7 (1) in subsection (a), by striking “September
 8 30, 1997” and inserting “September 30, 2009”;

9 (2) in subsection (b), by striking “at least every
 10 three years” and inserting “at least every 4 years”;

11 (3) by striking “five years forward” and insert-
 12 ing “six years forward”; and

13 (4) in subsection (c), by inserting a comma
 14 after “section” the second place it appears and in-
 15 serting “including a strategic plan submitted by
 16 September 30, 2009 meeting the requirements of
 17 subsection (a)”.

18 (g) PERFORMANCE PLANS.—Section 2803(a) of title
 19 39, United States Code, is amended—

20 (1) in the matter before paragraph (1), by
 21 striking “an annual” and inserting “a biennial”;

22 (2) in paragraph (1), by inserting after “pro-
 23 gram activity” the following: “for both years 1 and
 24 2 of the biennial plan”;

1 (3) in paragraph (5), by striking “and” after
2 the semicolon;

3 (4) in paragraph (6), by striking the period and
4 inserting “; and”; and

5 (5) by adding after paragraph (6) the following:

6 “(7) cover a 2-year period beginning with the
7 first fiscal year of the next biennial budget cycle.”.

8 (h) COMMITTEE VIEWS OF PLANS AND REPORTS.—
9 Section 301(d) of the Congressional Budget Act (2 U.S.C.
10 632(d)) is amended by adding at the end “Each committee
11 of the Senate or the House of Representatives shall review
12 the strategic plans, performance plans, and performance
13 reports, required under section 306 of title 5, United
14 States Code, and sections 1115 and 1116 of title 31,
15 United States Code, of all agencies under the jurisdiction
16 of the committee. Each committee may provide its views
17 on such plans or reports to the Committee on the Budget
18 of the applicable House.”.

19 (i) EFFECTIVE DATE.—

20 (1) IN GENERAL.—The amendments made by
21 this section shall take effect on March 1, 2009.

22 (2) AGENCY ACTIONS.—Effective on and after
23 the date of enactment of this Act, each agency shall
24 take such actions as necessary to prepare and sub-

1 mit any plan or report in accordance with the
 2 amendments made by this Act.

3 **SEC. 307. BIENNIAL APPROPRIATIONS BILLS.**

4 (a) IN GENERAL.—Title III of the Congressional
 5 Budget Act of 1974 (2 U.S.C. 631 et seq.) is amended
 6 by adding at the end the following:

7 “CONSIDERATION OF BIENNIAL APPROPRIATIONS BILLS

8 “SEC. 320. It shall not be in order in the House of
 9 Representatives or the Senate in any odd-numbered year
 10 to consider any regular bill providing new budget authority
 11 or a limitation on obligations under the jurisdiction of any
 12 of the subcommittees of the Committees on Appropria-
 13 tions for only the first fiscal year of a biennium, unless
 14 the program, project, or activity for which the new budget
 15 authority or obligation limitation is provided will require
 16 no additional authority beyond 1 year and will be com-
 17 pleted or terminated after the amount provided has been
 18 expended.”.

19 (b) AMENDMENT TO TABLE OF CONTENTS.—The
 20 table of contents set forth in section 1(b) of the Congres-
 21 sional Budget and Impoundment Control Act of 1974 is
 22 amended by adding after the item relating to section 319
 23 the following new item:

“Sec. 320. Consideration of biennial appropriations bills.”.

1 **SEC. 308. REPORT ON TWO-YEAR FISCAL PERIOD.**

2 Not later than 180 days after the date of enactment
3 of this subpart, the Director of OMB shall—

4 (1) determine the impact and feasibility of
5 changing the definition of a fiscal year and the
6 budget process based on that definition to a 2-year
7 fiscal period with a biennial budget process based on
8 the 2-year period; and

9 (2) report the findings of the study to the Com-
10 mittees on the Budget of the House of Representa-
11 tives and the Senate.

12 **SEC. 309. EFFECTIVE DATE.**

13 (a) IN GENERAL.—Except as provided in sections
14 306 and 308 and subsection (b), this title and the amend-
15 ments made by this title shall take effect on January 1,
16 2009, and shall apply to budget resolutions and appropria-
17 tions for the biennium beginning with fiscal year 2010.

18 (b) AUTHORIZATIONS FOR THE BIENNIUM.—For
19 purposes of authorizations for the biennium beginning
20 with fiscal year 2010, the provisions of this title and the
21 amendments made by this title relating to 2-year author-
22 izations shall take effect January 1, 2009.

**TITLE IV—COMMISSION ON
FEDERAL BUDGET CONCEPTS**

**SEC. 401. ESTABLISHMENT OF COMMISSION ON FEDERAL
BUDGET CONCEPTS.**

There is established a commission to be known as the Commission on Federal Budget Concepts (referred to in this title as the “Commission”).

SEC. 402. POWERS AND DUTIES OF COMMISSION.

(a) DUTIES OF THE COMMISSION.—

(1) IN GENERAL.—The duties of the Commission shall include—

(A) a review of the 1967 report of the President’s Commission on Budget Concepts and assessment of the implementation of the recommendations of that report;

(B) identification and evaluation of the structure, concepts, classifications, and bases of accounting of the Federal budget;

(C) identification of any applicable general accounting principles and practices in the private sector and evaluation of their value to budget practices in the Federal sector; and

(D) a report that shall include recommendations for modifications to the structure, concepts, classifications, and bases of ac-

1 counting of the Federal budget that would en-
2 hance the usefulness of the budget for public
3 policy and financial planning.

4 (2) SPECIFIC AREAS OF CONSIDERATION.—Spe-
5 cific areas for consideration by the Commission shall
6 include the following:

7 (A) Should part ownership by the Govern-
8 ment be sufficient to make an entity Federal
9 and to include it in the budget?

10 (B) When is Federal control of an entity,
11 including control exercised through Federal reg-
12 ulations, sufficient to cause it to be included in
13 the budget?

14 (C) Are privately owned assets under long-
15 term leases to the Federal Government effec-
16 tively purchased by the Government during the
17 lease period?

18 (D) Should there be an “off-budget” sec-
19 tion of the budget? How should the Federal
20 Government differentiate between spending and
21 receipts?

22 (E) Should the total costs of refundable
23 tax credits belong on the spending side of the
24 budget?

1 (F) When should Federal Reserve earnings
 2 be reported as receipts or offsetting receipts
 3 (negative spending) in the net interest portion
 4 of the budget?

5 (G) What is a “user fee” and under what
 6 circumstances is it properly an offset to spend-
 7 ing or a governmental receipt? What uses do
 8 trust funds have?

9 (H) Do trust fund balances provide mis-
 10 leading information? Do the roughly 200 trust
 11 funds add clarity or confusion to the budget
 12 process?

13 (I) Are there better ways than trust fund
 14 accounting to identify long-term liabilities?

15 (J) Should accrual budgetary accounting
 16 be adopted for Federal retirement, military re-
 17 tirement, or Social Security and other entitle-
 18 ments?

19 (K) Are off-budget accounts suitable for
 20 capturing accruals in the budget?

21 (L) What is the appropriate budgetary
 22 treatment of—

23 (i) purchases and sales of financial as-
 24 sets, including equities, bonds, and foreign
 25 currencies;

- 1 (ii) emergency spending;
- 2 (iii) the cost of holding fixed assets
- 3 (cost of capital);
- 4 (iv) sales of physical assets; and
- 5 (v) seigniorage on coins and currency?

6 (M) When policy changes have strong but
 7 indirect feedback effects on revenues and other
 8 aggregates, should they be reported in budget
 9 estimates?

10 (N) How should the policies that are one-
 11 sided bets on economic events (probabilistic
 12 scoring) be represented in the budget?

13 (b) POWERS OF THE COMMISSION.—

14 (1) CONDUCT OF BUSINESS.—The Commission
 15 may hold hearings, take testimony, receive evidence,
 16 and undertake such other activities necessary to
 17 carry out its duties.

18 (2) ACCESS TO INFORMATION.—The Commis-
 19 sion may secure directly from any department or
 20 agency of the United States information necessary
 21 to carry out its duties. Upon request of the Chair of
 22 the Commission, the head of that department or
 23 agency shall furnish that information to the Com-
 24 mission.

1 (3) POSTAL SERVICE.—The Commission may
2 use the United States mails in the same manner and
3 under the same conditions as other departments and
4 agencies of the United States.

5 **SEC. 403. MEMBERSHIP.**

6 (a) MEMBERSHIP.—The Commission shall be com-
7 posed of 12 members as follows:

8 (1) Three members appointed by the chairman
9 of the Committee on the Budget of the Senate.

10 (2) Three members appointed by the chairman
11 of the Committee on the Budget of the House of
12 Representatives.

13 (3) Three members appointed by the ranking
14 member of the Committee on the Budget of the Sen-
15 ate.

16 (4) Three members appointed by the ranking
17 member of the Committee on the Budget of the
18 House of Representatives.

19 (b) QUALIFICATIONS AND TERM.—

20 (1) QUALIFICATIONS.—Members appointed to
21 the Commission pursuant to subsection (a) shall—

22 (A) have expertise and experience in the
23 fields or disciplines related to the subject areas
24 to be considered by the Commission; and

25 (B) not be Members of Congress.

1 (2) TERM OF APPOINTMENT.—The term of an
2 appointment to the Commission shall be for the life
3 of the Commission.

4 (3) CHAIR AND VICE CHAIR.—The Chair and
5 Vice Chair may be elected from among the members
6 of the Commission. The Vice Chair shall assume the
7 duties of the Chair in the Chair's absence.

8 (c) MEETINGS; QUORUM; AND VACANCIES.—

9 (1) MEETINGS.—The Commission shall meet at
10 least once a month on a day to be decided by the
11 Commission. The Commission may meet at such
12 other times at the call of the Chair or of a majority
13 of its voting members. The meetings of the Commis-
14 sion shall be open to the public, unless by public
15 vote, the Commission shall determine to close a
16 meeting or any portion of a meeting to the public.

17 (2) QUORUM.—A majority of the voting mem-
18 bership shall constitute a quorum of the Commis-
19 sion, except that 3 or more voting members may
20 conduct hearings.

21 (3) VACANCIES.—A vacancy on the Commission
22 shall be filled in the same manner in which the origi-
23 nal appointment was filled under subsection (a).

24 (d) COMPENSATION AND EXPENSES.—Members of
25 the Commission shall serve without pay for their service

1 on the Commission, but may receive travel expenses, in-
 2 cluding per diem in lieu of subsistence, at rates authorized
 3 for employees of agencies under subchapter I of chapter
 4 57 of title 5, United States Code.

5 **SEC. 404. STAFF AND SUPPORT SERVICES.**

6 (a) STAFF.—With the advance approval of the Com-
 7 mission, the executive director may appoint such personnel
 8 as is appropriate. The staff of the Commission shall be
 9 appointed without regard to political affiliation and with-
 10 out regard to the provisions of title 5, United States Code,
 11 governing appointments in the competitive service, and
 12 may be paid without regard to the provisions of chapter
 13 51 and subchapter III of chapter 53 of such title relating
 14 to classifications and General Schedule pay rates.

15 (b) EXECUTIVE DIRECTOR.—The Chairman shall ap-
 16 point an executive director, who shall be paid the rate of
 17 basic pay for level II of the Executive Schedule.

18 (c) EXPERTS AND CONSULTANTS.—With the advance
 19 approval of the Commission, the executive director may
 20 procure temporary and intermittent services under section
 21 3109(b) of title 5, United States Code.

22 (d) TECHNICAL AND ADMINISTRATIVE ASSIST-
 23 ANCE.—Upon the request of the Commission—

24 (1) the head of any agency, office, or establish-
 25 ment within the executive or legislative branches of

1 the United States shall provide, without reimburse-
2 ment, such technical assistance as the Commission
3 determines is necessary to carry out its duties; and

4 (2) the Administrator of General Services shall
5 provide, on a reimbursable basis, such administrative
6 support services as the Commission may require.

7 (e) DETAIL OF FEDERAL PERSONNEL.—Upon the
8 request of the Commission, the head of an agency, office,
9 or establishment in the executive or legislative branch of
10 the United States is authorized to detail, without reim-
11 bursement, any of the personnel of that agency, office, or
12 establishment to the Commission to assist the Commission
13 in carrying out its duties. Any such detail shall not inter-
14 rupt or otherwise affect the employment status or privi-
15 leges of that employee.

16 (f) CBO.—The Director of the Congressional Budget
17 Office shall provide the Commission with its latest re-
18 search on the accuracy of its past budget and economic
19 projections as compared to those of the Office of Manage-
20 ment and Budget and, if possible, those of private sector
21 forecasters. The Commission shall work with the Directors
22 of the Congressional Budget Office and the Office of Man-
23 agement and Budget in their efforts to explain the factors
24 affecting the accuracy of budget projections.

1 **SEC. 405. REPORT.**

2 Not later than July 1, 2008, the Commission shall
3 transmit a report to the President and to each House of
4 Congress. The report shall contain a detailed statement
5 of the findings and conclusions of the Commission, to-
6 gether with its recommendations for such legislative or ad-
7 ministrative actions as it considers appropriate. No find-
8 ing, conclusion, or recommendation may be made by the
9 Commission unless approved by a majority of those voting,
10 a quorum being present. At the request of any Commis-
11 sion member, the report shall include that member's dis-
12 senting findings, conclusions, or recommendations.

13 **SEC. 406. TERMINATION.**

14 The Commission shall terminate 30 days after the
15 date of transmission of the report required in section 405.

16 **SEC. 407. FUNDING.**

17 There are authorized to be appropriated not more
18 than \$1,000,000 to carry out this title. Sums so appro-
19 priated shall remain available until expended.

20 **TITLE V—RESERVE FUND FOR**
21 **EMERGENCIES**

【see title II of H.R. 853, 106th Cong.】

22 **SEC. 501. PURPOSE.**

23 The purposes of this title are to—

1 (1) develop budgetary and fiscal procedures for
2 emergencies;

3 (2) subject spending for emergencies to budg-
4 etary procedures and controls; and

5 (3) establish criteria for determining compliance
6 with emergency requirements.

7 **SEC. 502. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.**

8 (a) DISCRETIONARY SPENDING LIMITS.—(1) Section
9 251(b)(2)(A) of the Balanced Budget and Emergency
10 Deficit Control Act of 1985 is repealed.

11 (2) Such section 251(b)(2) is further amended by re-
12 designating subparagraphs (B) through (G) as subpara-
13 graphs (A) through (F).

14 (b) DIRECT SPENDING.—Sections 252(e) and
15 252(d)(4)(B) of the Balanced Budget and Emergency
16 Deficit Control Act of 1985 are repealed.

17 (c) EMERGENCY DESIGNATION.—Clause 2 of rule
18 XXI of the Rules of the House of Representatives is
19 amended by repealing paragraph (e) and by redesignating
20 paragraph (f) as paragraph (e).

21 (d) AMOUNT OF ADJUSTMENTS.—Section 314(b) of
22 the Congressional Budget Act of 1974 is amended by
23 striking paragraph (1) and by redesignating paragraphs
24 (2) through (6) as paragraphs (1) through (5), respec-
25 tively.

1 **SEC. 503. OMB EMERGENCY CRITERIA.**

2 Section 3 of the Congressional Budget and Impound-
3 ment Control Act of 1974 is further amended by adding
4 at the end the following new paragraph:

5 “(12)(A) The term ‘emergency’ means a situa-
6 tion that—

7 “(i) requires new budget authority
8 and outlays (or new budget authority and
9 the outlays flowing therefrom) for the pre-
10 vention or mitigation of, or response to,
11 loss of life or property, or a threat to na-
12 tional security; and

13 “(ii) is unanticipated.

14 “(B) As used in subparagraph (A), the
15 term ‘unanticipated’ means that the situation
16 is—

17 “(i) sudden, which means quickly
18 coming into being or not building up over
19 time;

20 “(ii) urgent, which means a pressing
21 and compelling need requiring immediate
22 action;

23 “(iii) unforeseen, which means not
24 predicted or anticipated as an emerging
25 need; and

1 “(iv) temporary, which means not of a
2 permanent duration.”.

3 **SEC. 504. DEVELOPMENT OF GUIDELINES FOR APPLICA-**
4 **TION OF EMERGENCY DEFINITION.**

5 Not later than 5 months after the date of enactment
6 of this Act, the chairmen of the Committees on the Budget
7 (in consultation with the President) shall, after consulting
8 with the chairmen of the Committees on Appropriations
9 and applicable authorizing committees of their respective
10 Houses and the Directors of the Congressional Budget Of-
11 fice and the Office of Management and Budget, jointly
12 publish in the Congressional Record guidelines for applica-
13 tion of the definition of emergency set forth in section
14 3(12) of the Congressional Budget and Impoundment
15 Control Act of 1974.

16 **SEC. 505. RESERVE FUND FOR EMERGENCIES IN PRESI-**
17 **DENT'S BUDGET.**

18 Section 1105(f) of title 31, United States Code is
19 amended by adding at the end the following new sen-
20 tences: “Such budget submission shall also comply with
21 the requirements of section 317(b) of the Congressional
22 Budget Act of 1974 and, in the case of any budget author-
23 ity requested for an emergency, such submission shall in-
24 clude a detailed justification of why such emergency is an

1 emergency within the meaning of section 3(12) of the Con-
 2 gressional Budget Act of 1974.”.

3 **SEC. 506. ADJUSTMENTS AND RESERVE FUND FOR EMER-**
 4 **GENCIES IN BUDGET RESOLUTIONS.**

5 (a) EMERGENCIES.—Title III of the Congressional
 6 Budget Act of 1974 is further amended by adding at the
 7 end the following new section:

8 “EMERGENCIES

9 “SEC. 317. (a) ADJUSTMENTS.—

10 “(1) IN GENERAL.—After the reporting of a bill
 11 or joint resolution or the submission of a conference
 12 report thereon that provides budget authority for
 13 any emergency as identified pursuant to subsection
 14 (d)—

15 “(A) the chairman of the Committee on
 16 the Budget of the House of Representatives or
 17 the Senate shall determine and certify, pursu-
 18 ant to the guidelines referred to in section 504
 19 of the SAFE Budget Process Reform Act of
 20 2007, the portion (if any) of the amount so
 21 specified that is for an emergency within the
 22 meaning of section 3(12); and

23 “(B) such chairman shall make the adjust-
 24 ment set forth in paragraph (2) for the amount
 25 of new budget authority (or outlays) in that

1 measure and the outlays flowing from that
2 budget authority.

3 “(2) MATTERS TO BE ADJUSTED.—The adjust-
4 ments referred to in paragraph (1) are to be made
5 to the allocations made pursuant to the appropriate
6 concurrent resolution on the budget pursuant to sec-
7 tion 302(a) and shall be in an amount not to exceed
8 the amount reserved for emergencies pursuant to the
9 requirements of subsection (b).

10 “(b) RESERVE FUND FOR EMERGENCIES.—

11 “(1) AMOUNTS.—The amount set forth in the
12 reserve fund for emergencies for budget authority
13 and outlays for a fiscal year pursuant to section
14 301(a)(4) shall equal—

15 “(A) the average of the enacted levels of
16 budget authority for emergencies in the 5 fiscal
17 years preceding the current year; and

18 “(B) the average of the levels of outlays
19 for emergencies in the 5 fiscal years preceding
20 the current year flowing from the budget au-
21 thority referred to in subparagraph (A), but
22 only in the fiscal year for which such budget
23 authority first becomes available for obligation.

24 “(2) AVERAGE LEVELS.—For purposes of para-
25 graph (1), the amount used for a fiscal year to cal-

1 culate the average of the enacted levels when one or
2 more of such 5 preceding fiscal years is any of fiscal
3 years 2002 through 2006 is as follows: the amount
4 of enacted levels of budget authority and the amount
5 of new outlays flowing therefrom for emergencies,
6 but only in the fiscal year for which such budget au-
7 thority first becomes available for obligation for each
8 of such 5 fiscal years, which shall be determined by
9 the Committees on the Budget of the Senate and the
10 House of Representatives after receipt of a report on
11 such matter transmitted to such committees by the
12 Director of the Congressional Budget Office 6
13 months after the date of enactment of this section
14 and thereafter in February of each calendar year.

15 “(3) SPECIAL RULE FOR OVERSEAS CONTIN-
16 GENCY OPERATIONS.—

17 “(A) IN GENERAL.—This paragraph shall
18 apply in lieu of paragraph (1) in the case of a
19 bill or joint resolution reported by the Com-
20 mittee on Appropriations that provides budget
21 authority for any emergency that is a threat to
22 national security and the funding of which car-
23 ries out a military operation authorized by a
24 declaration of war or a joint resolution author-
25 izing the use of military force (or economic as-

1 sistance funding in furtherance of such oper-
2 ation).

3 “(B) AMOUNTS.—The amount set forth in
4 the reserve fund for operations described in
5 subparagraph (A) for budget authority and out-
6 lays for a fiscal year pursuant to section
7 301(a)(4) shall equal the amount requested for
8 such operations by the budget submission re-
9 quired by section 1105 of title 31 for that fiscal
10 year.

11 “(c) EMERGENCIES IN EXCESS OF AMOUNTS IN RE-
12 SERVE FUND.—

13 “(1) IN GENERAL.—A bill or joint resolution re-
14 ported by the Committee on Appropriations or any
15 other committee that provides budget authority for
16 any emergency and is accompanied by a report, pur-
17 suant to subsection (d), that identifies any provision
18 that increases outlays or provides budget authority
19 (and the outlays flowing therefrom) for such emer-
20 gency shall be subject to paragraph (2) if the enact-
21 ment of the bill or joint resolution which would
22 cause—

23 “(A) in the case of the Committee on Ap-
24 propriations, the total amount of budget au-
25 thority or outlays provided for emergencies for

1 the budget year in the concurrent resolution on
2 the budget (pursuant to section 301(a)(4)) to
3 be exceeded; or

4 “(B) in the case of any other committee,
5 the total amount of budget authority or outlays
6 provided for emergencies for the budget year or
7 the total of the fiscal years in the concurrent
8 resolution on the budget (pursuant to section
9 301(a)(4)) to be exceeded.

10 “(2) CONDITIONS.—The conditions referred to
11 in paragraph (1) are as follows:

12 “(A) Such bill or joint resolution shall be
13 referred to the Committee on the Budget of the
14 House or the Senate, as the case may be, with
15 instructions to report it without amendment,
16 other than that specified in subparagraph (B),
17 within 5 legislative days of the day in which it
18 is reported from the originating committee. If
19 the Committee on the Budget of either House
20 fails to report a bill or joint resolution referred
21 to it under this subparagraph within such 5-day
22 period, the committee shall be automatically
23 discharged from further consideration of such
24 bill or joint resolution and such bill or joint res-

1 olution shall be placed on the appropriate cal-
2 endar.

3 “(B) An amendment to such a bill or joint
4 resolution referred to in this subsection shall
5 only consist of an exemption from section 251
6 or 252 (as applicable) of the Balanced Budget
7 and Emergency Deficit Control Act of 1985 of
8 all or any part of the provisions that provide
9 budget authority (and the outlays flowing there-
10 from) for such emergency if the committee de-
11 termines, pursuant to the guidelines referred to
12 in section 504 of the SAFE Budget Process Re-
13 form Act of 2007, that such budget authority
14 is for an emergency within the meaning of sec-
15 tion 3(12).

16 “(C) If such a bill or joint resolution is re-
17 ported with an amendment specified in sub-
18 paragraph (B) by the Committee on the Budget
19 of the Senate or the House of Representatives,
20 then the budget authority and resulting outlays
21 that are the subject of such amendment shall
22 not be included in any determinations under
23 section 302(f) or 311(a) for any bill, joint reso-
24 lution, amendment, motion, or conference re-
25 port.

1 “(d) COMMITTEE NOTIFICATION OF EMERGENCY
 2 LEGISLATION.—Whenever the Committee on Appropria-
 3 tions or any other committee of either House (including
 4 a committee of conference) reports any bill or joint resolu-
 5 tion that provides budget authority for any emergency, the
 6 report accompanying that bill or joint resolution (or the
 7 joint explanatory statement of managers in the case of a
 8 conference report on any such bill or joint resolution) shall
 9 identify all provisions that provide budget authority and
 10 the outlays flowing therefrom for such emergency and in-
 11 clude a statement of the reasons why such budget author-
 12 ity meets the definition of an emergency pursuant to the
 13 guidelines referred to in section 504 of the SAFE Budget
 14 Process Reform Act of 2007.”.

15 (b) CONFORMING AMENDMENT.—The table of con-
 16 tents set forth in section 1(b) of the Congressional Budget
 17 and Impoundment Control Act of 1974 is amended by in-
 18 serting after the item relating to section 316 the following
 19 new item:

“Sec. 317. Emergencies.”.

20 **SEC. 507. APPLICATION OF SECTION 306 TO EMERGENCIES**
 21 **IN EXCESS OF AMOUNTS IN RESERVE FUND.**

22 Section 306 of the Congressional Budget Act of 1974
 23 is amended by inserting at the end the following new sen-
 24 tence: “No amendment reported by the Committee on the
 25 Budget (or from the consideration of which such com-

1 mittee has been discharged) pursuant to section 317(c)
 2 may be amended.”.

3 **SEC. 508. UP-TO-DATE TABULATIONS.**

4 Section 308(b)(2) of the Congressional Budget Act
 5 of 1974 is amended by striking “and” at the end of sub-
 6 paragraph (B), by striking the period at the end of sub-
 7 paragraph (C) and inserting “; and”, and by adding at
 8 the end the following new subparagraph:

9 “(D) shall include an up-to-date tabulation
 10 of amounts remaining in the reserve fund for
 11 emergencies.”.

12 **SEC. 509. PROHIBITION ON AMENDMENTS TO EMERGENCY**
 13 **RESERVE FUND.**

14 (a) POINT OF ORDER.—Section 305 of the Congres-
 15 sional Budget Act of 1974 is amended by adding at the
 16 end the following new subsection:

17 “(e) POINT OF ORDER REGARDING EMERGENCY RE-
 18 SERVE FUND.—It shall not be in order in the Senate or
 19 in the House of Representatives to consider an amend-
 20 ment to a concurrent resolution on the budget which
 21 changes the amount of budget authority and outlays set
 22 forth in section 301(a)(4) for emergency reserve fund.”.

23 (b) TECHNICAL AMENDMENT.—(1) Section 904(c)(1)
 24 of the Congressional Budget Act of 1974 is amended by
 25 inserting “305(e),” after “305(c)(4),”.

1 (2) Section 904(d)(2) of the Congressional Budget
2 Act of 1974 is amended by inserting “305(e),” after
3 “305(c)(4),”.

4 **SEC. 510. EFFECTIVE DATE.**

5 The amendments made by this title shall apply to fis-
6 cal year 2008 and subsequent fiscal years, but such
7 amendments shall take effect only after the enactment of
8 legislation changing or extending for any fiscal year the
9 discretionary spending limits set forth in section 251 of
10 the Balanced Budget and Emergency Deficit Control Act
11 of 1985 or legislation reducing the amount of any seques-
12 tration under section 252 of such Act by the amount of
13 any reserve for any emergencies.

○